

## 2. Logon Procedure and Access Control

### 2.1 Logon and Change Password Procedures

#### 2.1.1 CCASS Primary User ID

Each Investor Participant will be assigned a Participant ID. A CCASS Primary User ID and a CCASS Primary Password will be provided to each user of the account for successful account open.

	<b>Format</b>	<b>Usage</b>
Participant ID	A 6-digit number e.g. 123456	For Investor Participants' counterparties to input ISIs
CCASS Primary User ID	An 8-digit number (Participant ID plus 2-digit number at the end) e.g. 12345601	For registering Internet User ID
CCASS Primary Password	An 8-digit number	For registering Internet User ID

#### Important Notes:

- Investor Participants must keep their CCASS Primary Passwords strictly confidential.
- Investor Participants are required to change their passwords every 90 days.
- A CCASS Primary Password will be revoked after three unsuccessful logon attempts. Please refer to Section 3.7.2 for procedure of resetting a password or contact Hotline at 2979-7888.

## 2.1 Logon and Change Password Procedures

### 2.1.2 CCASS Internet System (<https://ip.ccass.com>)

Investor Participants can operate their Investor accounts via Internet by using a self created Internet User ID or an e-Cert issued by Hongkong Post.

#### 2.1.2.1 Access by using an Internet User ID

Investor Participant can register Internet User ID, login and delete Internet User ID through the Investor Account Homepage. For registration or deletion of Internet User ID, Investor Participants need to input verification code (case sensitive) as per captcha generated by the system.

Investor Participant is required to register the Internet User ID if this is his first time logon the CCASS Internet System. The table below describes the Internet User ID registration procedures to the CCASS Internet System:

- |                |   |
|----------------|---|
| <b>Step 1</b>  | Click “New user registration” under Internet ID User<br>▼   |
| <b>Step 2</b>  | View the “Terms of Use” and click <I Agree> to accept it<br>▼   |
| <b>Step 3</b>  | Select the account type for registration<br>▼   |
| <b>Step 4</b>  | Input at most four CCASS Primary User ID(s) which will be operated by this Internet User ID<br><i>For Corporate Investor Participant, only one CCASS Primary User ID can be registered under an Internet User ID</i><br>▼ |
| <b>Step 5</b>  | Input the corresponding HKID/Macau Resident ID number for Individual/Joint Investor Participant<br><i>Input the CI number for Corporate Investor Participant</i><br>▼   |
| <b>Step 6</b>  | Create an Internet User ID of 8 characters, containing letters (A-Z; a-z) AND/OR digits (0-9)<br>▼  |
| <b>Step 7</b>  | Create an Internet User Password of 13-15 characters in length, containing at least one character from letters (A-Z; a-z) AND one from digits (0-9) and re-input it to confirm<br>▼                                       |
| <b>Step 8</b>  | Input verification code (case sensitive) as per captcha generated on the picture. He/She can click “Refresh” to generate new captcha.<br>▼  |
| <b>Step 9</b>  | Press the “Submit” button<br>▼  |
| <b>Step 10</b> | Input the Password of CCASS Primary User ID 1 and press the “Confirm” button<br>▼   |
| <b>Step 11</b> | Press the “Continue” button   |

If this is the first time an Investor Participant to logon to the CCASS Internet system, it would redirect him to the page – “Change CCASS Primary Password”. He is required to change his CCASS Primary Password in accordance with the following procedure.

<b>Step 1</b>	Input Current CCASS Primary Password of 8 characters in length
▼	
<b>Step 2</b>	Input New CCASS Primary Password of 8 characters in length and re-input it to confirm
▼	
<b>Step 3</b>	Input verification code (case sensitive) as per captcha generated on the picture. He/She can click “Refresh” to generate new captcha.
▼	
<b>Step 4</b>	Press the “Change” button

After successfully changed the CCASS Primary Password, Investor Participants are then able to use the services provided by the CCASS Internet System. The table below describes the normal logon procedures of CCASS Internet System after successful registration of Internet User ID.

<b>Step 1</b>	Click “Login” under Internet ID User
▼	
<b>Step 2</b>	Input Internet User ID
▼	
<b>Step 3</b>	Input Internet User Password and click the “Enter” button
▼	
<b>Step 4</b>	Select the IP Account

## 2.1 Logon and Change Password Procedures

### 2.1.2.2 Access by using an e-Cert

Investor Participant can register e-Cert, login and revoke e-Cert through the Investor Account Homepage. To revoke e-cert, Investor Participants need to input verification code (case sensitive) as per captcha generated by the system.

Investor Participant is required to register the e-Cert if this is his first time logon the CCASS Internet System. The table below describes the e-Cert registration procedures to the CCASS Internet System:

<b>Step 1</b>	Click “New user registration” under e-Cert User
▼	
<b>Step 2</b>	View the “Terms of Use” and click <I Agree> to accept it
▼	
<b>Step 3</b>	Click the “Select Certificate” button to choose the local e-Cert
▼	
<b>Step 4</b>	Input e-Cert password and click the “OK” button
▼	
<b>Step 5</b>	Input at most four CCASS Primary User ID(s) which will be operated by this e-Cert <i>For Corporate Investor Participant, only one CCASS Primary User ID can be registered under an e-Cert</i>
▼	
<b>Step 6</b>	Input the corresponding HKID number for Individual/Joint Investor Participant <i>Input the CI number for Corporate Investor Participant</i>
▼	
<b>Step 7</b>	Input the e-Cert password again and press the “Confirm” button

Investor Participants are then able to use the services provided by the CCASS Internet System. The table below describes the normal logon procedures of CCASS Internet System after successful registration of e-Cert.

- |               |   |
|---------------|---|
| <b>Step 1</b> | Click “Login” under e-Cert User<br>▼                                  |
| <b>Step 2</b> | Click the “Select Certificate” button to choose the local e-Cert<br>▼ |
| <b>Step 3</b> | Input e-Cert password and click the “Enter” button<br>▼               |
| <b>Step 4</b> | Select the IP Account   |

**Important Notes:**

- One e-Cert can be registered to a maximum of four IP accounts provided the HKID number of the e-Cert and IP account are matched.
- One Internet User ID can be registered to a maximum of four IP accounts provided the HKID number of each IP account is the same.

## 2.2 Access Control

### 2.2.1 ISI (Without Affirmation) Counterparty List

Investor Participants can choose to maintain an ISI (without affirmation) counterparty list via CCASS Internet System or to submit ‘ISI (Without Affirmation) Counterparty List Input Request Form’ to our Customer Service Centre to update the counterparty list. A maximum of 3 Clearing/Custodian/Stock Lender/Stock Pledgee Participant IDs can be maintained in the list. In each counterparty, a mandatory field “Client Account Number” must be maintained. Investor Participants are required to input their account number provided by the Clearing/Custodian/Stock Lender/Stock Pledgee Participant. Upon completion of input, activity statements detailing the updated counterparty list will be sent to the Investor Participants for reference.

If an ISI (without affirmation) counterparty list is maintained in CCASS, Investor Participant can input ISI to deliver shares to the specified Clearing/Custodian/Stock Lender/Stock Pledgee Participant without the need of affirmation. Input ISI by an Investor Participant will only be accepted if the counterparty specified in the ISI is contained in the list and such ISI must be settled on a FOP basis.

### 2.2.2 ISI (With Affirmation) Counterparty List for Corporate Investor Participants

Corporate Investor Participants can choose to maintain an ISI (with affirmation) counterparty list in CCASS to strengthen their internal control capabilities. If a Participant elects to maintain such a list, ISI affirmation and authorization will only be accepted by CCASS if the counterparty specified in the ISI is contained in the list.

To activate the function, Corporate Investor Participants can maintain the list via CCASS Internet System or to submit ‘ISI (With Affirmation) Counterparty List Input Request Form’ to our Customer Service Centre to update the counterparty lists. A maximum of 6 Clearing/Custodian/Stock Lender/Stock Pledgee Participant IDs can be maintained in the list. Upon completion of input, activity statements detailing the updated counterparty list will be sent to the Corporate Investor Participants for reference. Corporate Investor Participants choosing not to maintain a counterparty list will have no checking of counterparty for their ISIs.

### 2.2.3 Maker-Checker Facility and Transaction Limit for ISI Affirmation

Maker-Checker facility is only available for Corporate Investor Participants who use **Internet**. They are required to submit a ‘User Profile List’ to our Customer Service Centre to assign user access levels and transaction limits.

For tendering of Exchange Fund Notes (EFN), Specified Instruments and/or CMU Instruments and nominee functions such as subscription, dividend election and corporate voting instructions maintenance functions, users being assigned as Makers can only **input** instructions, while those being assigned as Checkers can only **authorize** instructions that have been input by Makers. The status of an instruction will be shown as “pending” when it is input by a Maker. It will be changed to “authorized” after authorized by a Checker. Only authorized instructions will be further processed by CCASS.

For ISI input and affirmation, besides Maker-Checker facility, transaction limit is also applicable. An ISI will be inputted or affirmed by a Maker *only if* it is within the Maker’s transaction limit. If the Maker’s transaction limit is exceeded, the status of the ISI will change to “pending for authorization” and requires a Checker to authorize before it can be affirmed.

A Checker can only authorize ISIs which are “pending for authorization” and within the transaction limit. Any attempt to authorize ISI exceeding the transaction limit will be rejected by the system. The value of the ISI transaction will be calculated based on the closing nominal price of the stock concerned on the day before the input/affirmation day or the settlement amount of the ISI input, whichever is higher.

## 2.2 Access Control

Example : An ISI delivering 1,000 shares of stock #9999 with no settlement amount input. The closing nominal price on the day before the affirmation day of the stock is \$10 per share. Thus, the value of the ISI transaction will be \$10,000.

### Case 1

User Class	Transaction Limit	Action	Status of ISI after the action
Maker (XA)	\$2,000	Affirm	"Pending for Authorization"
Checker 1 (XB)	\$5,000	Authorize	Unable to authorize as the checker has insufficient transaction limit.
Checker 2 (XB)	Unlimited	Authorize	"Pending for Settlement" or "Settled"

### Case 2

User Class	Transaction Limit	Action	Status of ISI after the action
Maker (XA)	\$200,000	Affirm	"Pending for Settlement" or "Settled"
Checker 1 (XB)	Unlimited	No action needed as the Maker has sufficient transaction limit to affirm the ISI.	

## 2.2 Access Control

### 2.2.4 User Access Level Code

User access level codes and their respective access rights to each function are defined in the following table.

Function Name	User Access Level Code		
	Internet		
	XA (Maker)	XB (Checker)	XC (Maker + Checker)
Affirm ISI	✓	×	✓
Input ISI (Without Affirmation)	✓	×	✓
Authorize ISI*	×	✓	×
Input ISI (Without Affirmation) Counterparty List	✓	×	✓
Input ISI (With Affirmation) Counterparty List*	✓	×	✓
Cancel ISI Counterparty List	×	✓	✓
Delete ISI Counterparty List*	✓	×	×
Authorize ISI Counterparty List*	×	✓	×
Input Subscription Instruction	✓	×	✓
Cancel Subscription Instruction	×	✓	✓
Authorize Subscription Instruction*	×	✓	×
Input Dividend Election Instruction	×	×	✓
Change Dividend Election Instruction	×	×	✓
Maintain Dividend Election Instruction*	✓	✓	×
Input Voting Instruction	×	×	✓
Change Voting Instruction	×	×	✓
Maintain Voting Instruction*	✓	✓	×
Input Tender Instruction	✓	×	✓
Cancel Tender Instruction	×	✓	✓
Delete Tender Instruction*	✓	×	×
Authorize Tender Instruction*	×	✓	×
Submit Electronic Stock Withdrawal Form	×	✓	✓
Change CCASS Primary Password	✓	✓	✓

## 2.2 Access Control

### 2.2.4 User Access Level Code

Function Name	User Access Level Code		
	Internet		
	XA (Maker)	XB (Checker)	XC (Maker + Checker)
Enquire ISI	✓	✓	✓
Enquire ISI Counterparty List	✓	✓	✓
Enquire Subscription Instruction	✓	✓	✓
Enquire Dividend Election Instruction	✓	✓	✓
Enquire Voting Instruction	✓	✓	✓
Enquire Corporate Action Deadline	✓	✓	✓
Enquire Stock Balance	✓	✓	✓
Enquire ISI Money Obligation	✓	✓	✓
Enquire Tender Announcement	✓	✓	✓
Enquire Tender Instruction Done	✓	✓	✓
Enquire Tender Result	✓	✓	✓

- ‘✓’ means the user has the access right to the function;
- ‘✗’ means the user does not have the access right to the function.
- ‘\*’ means the functions only available for Corporate Investor Participants

#### Important Notes :

- An Authorized User with XC access level can complete a transaction by himself. A Corporate Investor Participant using Internet can improve internal control by assigning XA and XB access levels to different Authorized Users in order to implement maker-checker control.

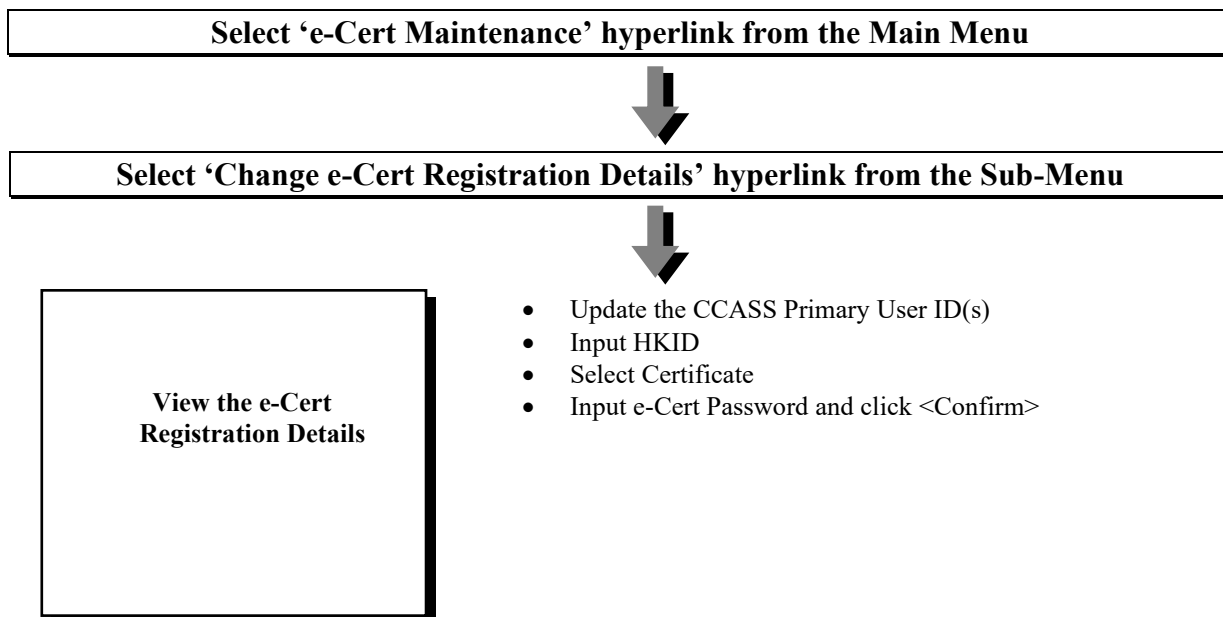


**Access Control**

**2.2.5 e-Cert Maintenance**

Investor Participant can change or enquire the e-Cert registration details in HKSCC via Internet.

**To Change e-Cert Registration Details via CCASS Internet System:**



**Important Note:**

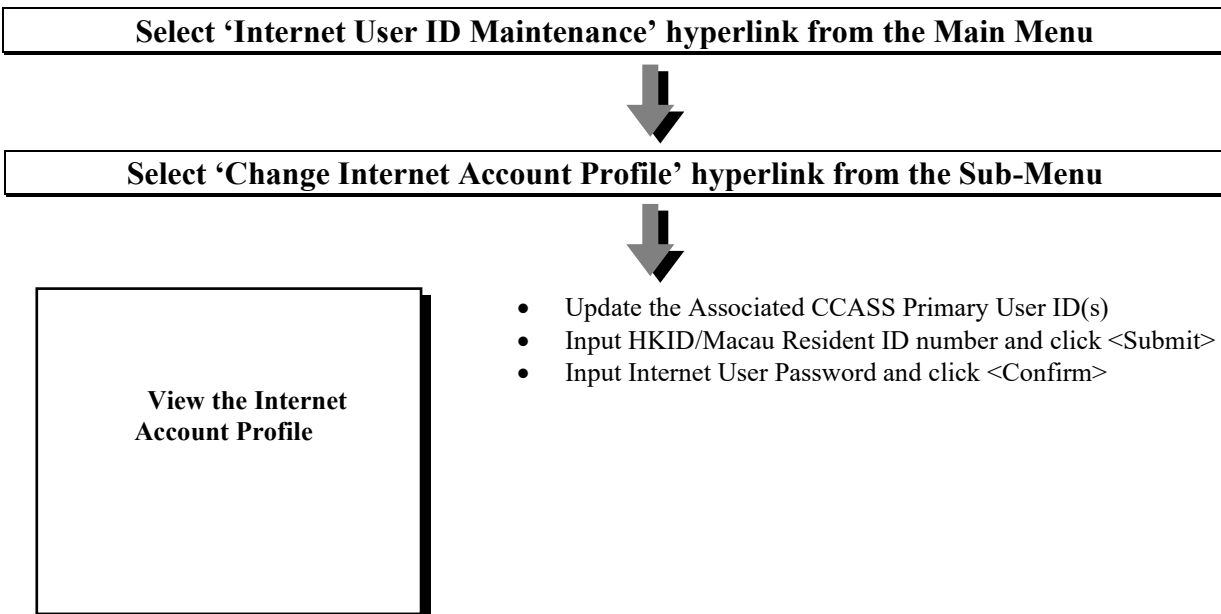
The Change e-Cert Registration Function is only applicable to Individual and Joint Investor Participants only.

## **2.2 Access Control**

### **2.2.6 Internet User ID Maintenance**

Investor Participant can change or enquire the Internet account profile in HKSCC via Internet.

**To Change Internet account profile via CCASS Internet System:**



**Important Note:**

The Change Internet Account Profile function is only applicable to Individual and Joint Investor Participants.

## 2.2 Access Control

### 2.2.7 CCASS Primary Password Maintenance

Investor Participant can change CCASS Primary Password via Internet.

**To Change CCASS Primary Password via CCASS Internet System:**

**Select 'CCASS Primary User ID Maintenance' hyperlink from the Main Menu**



**Select 'Change CCASS Primary Password' hyperlink from the Sub-Menu**



**View the CCASS  
Primary User ID**

- Input Current CCASS Primary Password
- Input and reconfirm New CCASS Primary Password
- Input Verification Code and click <CHANGE>